

Entrepreneurship
Unit 3.2
Creating the Business Plan

Student: _____ Date: _____ Period: _____

1. The Business Plan format used in this unit closely follows which DECA competition event?
2. If the teacher decides to have students write a business plan using this DECA format, how many pages will it contain?

3. What is the web address to locate the recommended DECA guidelines?

DECA Business Plan Format
Section I: Executive Summary
Section II: Analysis of Business Situation <ul style="list-style-type: none">– Rationale and marketing research, Description of Business, Self-analysis, Analysis of the business opportunity, customer and location, and Proposed organization
Section III: Marketing and Promotional Plan
Section IV: Financing Plan <ul style="list-style-type: none">– Income Statements, Amortization, and Return on Investment

4. **Section I: Executive Summary**
 - The Executive Summary summarizes the _____ covered in the business plan.
 - Even though the Executive Summary is the first page of the document, it is usually written when?
5. **Section I: Constructing a Mission Statement**
 - Define a Mission Statement.
 - Provide Example:

6. Section II: Explain Rationale for Starting Business by Utilizing Market Research

The Market Analysis section:

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7. Section II: Description of Company, Products/Services, and Customers

Includes:

1. History and background
2. Describes the _____ or _____
3. Discusses _____ and _____ of the products/services offered and how it benefits the customer
4. Discusses _____, market segments, or market niche served
5. Assess location.

8. What is often a critical factor in the success of a business, especially for retail stores?

9. What concepts dealing with location should be explained in detail in your business plan?

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10. Section II: Select a Form of Ownership

Types of Legal Ownership:

- 1.
- 2.
- 3.

11. Two types of Corporations: _____ and _____

12. Name another legal form of Ownership: _____

13. Describe the characteristics of the three types of legal ownerships.

	Sole Proprietorship	Partnership	Corporation
Characteristic #1			
Characteristic #2			
Characteristic #3			
Characteristic #4			

14. Describe the characteristics of the two types of corporations:

C-Corporation

- 1.
- 2.
- 3.
- 4.
- 5.

Subchapter S Corporation

- 1.
- 2.

Explain Pass-through Taxation:

15. In smaller private corporations, the founders generally hold how much stock?

16. Other forms of ownership include a Limited Liability Company and _____.

17. Before you start your company, who should you consult to determine the proper form of legal ownership?

18. Section II: Organizational Structure and Management Skills

Define Organizational Structure:

19. Which size of company would have more layers of management? *Smaller* *Larger*

20. Define Organizational Chart:

21. The “Management and Staffing Section” should provide a _____ for each position.

22. The “Management and Staffing Section” should show that you and your staff have the: _____, _____, and _____ to manage your business well.

23. Good Management Skills include:

- | | |
|---|---|
| ● | ● |
| ● | ● |
| ● | ● |
| ● | ● |

24. Section III: The Marketing Mix (*the 4 P's*)

- P _____
- P _____
- P _____
- P _____

25. Products/Services

Answers: _____?

- Give example of Product brands:
- Give example of Product Mix:
- What is Inventory:

26. Pricing Strategies

Answers: _____?

- List 7 pricing strategies:
 - 1.
 - 2.
 - 3.
 - 4.
 - 5.
 - 6.
 - 7.

27. Channels of Distribution

Answers: _____?

- Define Channels of Distribution:
- What are the two types of channels? _____ and _____
- Why would you use indirect distribution methods—or intermediaries?
- Channels of Distribution include what three areas?
 - 1.
 - 2.
 - 3.

28. Promotional Mix

Answers: _____?

- _____: Paid, non-personal presentation of ideas directed toward a mass audience.
- _____: Free placement of newsworthy items about company, etc. in the media.
- _____: Giving an oral presentation to one or more potential buyers.
- _____: Use of incentives or interest-building activities to create demand.